**BILLING CODE: 3510-DS-P** 

#### DEPARTMENT OF COMMERCE

**International Trade Administration** 

[A-533-891, A-580-904]

Forged Steel Fittings from India and the Republic of Korea: Initiation of Less-Than-Fair-Value Investigations

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce

**DATES:** Applicable November 12, 2019.

**FOR FURTHER INFORMATION CONTACT:** Caitlin Monks or Charlotte Baskin-Gerwitz, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2670 or (202) 482-4880, respectively.

#### **SUPPLEMENTARY INFORMATION:**

#### The Petitions

On October 23, 2019, the U.S. Department of Commerce (Commerce) received antidumping duty (AD) petitions concerning imports of forged steel fittings from India and the Republic of Korea (Korea), filed in proper form by Bonney Forge Corporation and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW) (collectively, the petitioners). The Petitions were accompanied by a countervailing duty (CVD) petition concerning imports of forged steel fittings

<sup>&</sup>lt;sup>1</sup> See Petitioners' Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties: Forged Steel Fittings from India and the Republic of Korea," dated October 23, 2019 (the Petitions).

from India.<sup>2</sup> The petitioners are a domestic producer of forged steel fittings and a certified union that represents workers who produce forged steel fittings.<sup>3</sup>

On October 28 and November 4, 2019, Commerce requested supplemental information pertaining to certain aspects of the Petitions in separate supplemental questionnaires.<sup>4</sup> The petitioners filed responses to the supplemental questionnaires on October 30, November 4, and November 6, 2019.<sup>5</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that imports of forged steel fittings from India and Korea are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing forged steel fittings in the United States. Consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed the Petitions on behalf of the domestic industry, because the petitioners are interested parties, as defined in sections 771(9)(C) and (D) of the Act.

<sup>2</sup> *Id*.

<sup>&</sup>lt;sup>3</sup> See Volume I of the Petitions at 2.

<sup>&</sup>lt;sup>4</sup> See Commerce's Letters, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Forged Steel Fittings from India and the Republic of Korea: Supplemental Questions," dated October 28, 2019 (General Issues Supplemental); "Petition for the Imposition of Antidumping Duties on Imports of Forged Steel Fittings from India: Supplemental Questions," dated October 28, 2019; "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Forged Steel Fittings from the Republic of Korea: Supplemental Questions," dated May 14, 2019; Memorandum, "Petition for the Imposition of Antidumping Duties on Imports of Forged Steel Fittings from India: Phone Call with Counsel to the Petitioners," dated November 4, 2019; and Memorandum, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Forged Steel Fittings from India and the Republic of Korea: Phone Call with Counsel to the Petitioners," dated November 4, 2019 (Scope Memo).

<sup>&</sup>lt;sup>5</sup> See Petitioners' Letters, "Forged Steel Fittings from India and the Republic of Korea: Response to General Issues Questionnaire," dated October 30, 2019 (General Issues Supplement); "Forged Steel Fittings from Korea: Response to Supplemental Questionnaire," dated October 30, 2019; "Forged Steel Fittings from India: Response to Antidumping Questionnaire," dated October 30, 2019; "Forged Steel Fittings from India and the Republic of Korea: Response on Revisions to the Scope," dated November 4, 2019; and "Forged Steel Fittings from India: Response to Additional Antidumping Questions," dated November 6, 2019.

Commerce also finds that the petitioners demonstrated sufficient industry support with respect to the initiation of the requested AD investigations.<sup>6</sup>

## Periods of Investigation

Because the Petitions were filed on October 23, 2019, the period of investigation (POI) for the India and Korea AD investigations is October 1, 2018 through September 30, 2019, pursuant to 19 CFR 351.204(b)(1).

## Scope of the Investigations

The products covered by these investigations are forged steel fittings from India and Korea. For a full description of the scope of these investigations, see the Appendix to this notice. Comments on the Scope of the Investigations

During our review of the Petitions, we contacted the petitioners regarding the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief. As a result, the scope of the Petitions was modified to clarify the description of the merchandise covered by the Petitions. The description of the merchandise covered by these investigations, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).<sup>8</sup> Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments

 <sup>&</sup>lt;sup>6</sup> See the "Determination of Industry Support for the Petitions" section, *infra*.
<sup>7</sup> See General Issues Supplemental; see also Scope Memo.

<sup>&</sup>lt;sup>8</sup> See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997) (Preamble).

include factual information, <sup>9</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit scope comments by 5:00 p.m. Eastern Time (ET) on December 2, 2019, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on December 12, 2019, which is 10 calendar days from the initial comment deadline. <sup>10</sup>

Commerce requests that any factual information parties consider relevant to the scope of the investigations be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed on the records of the concurrent AD and CVD investigations.

# Filing Requirements

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>11</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue,

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<sup>&</sup>lt;sup>9</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.303(b).

<sup>&</sup>lt;sup>11</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance; Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at https://access.trade.gov/help.aspx and a handbook can be found at

https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf.

NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

#### Comments on Product Characteristics

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of forged steel fittings to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant costs of production accurately, as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) general product characteristics, and (2) product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe forged steel fittings, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on

December 2, 2019, which is 20 calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 p.m. ET on December 12, 2019. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of each of the AD investigations.

# **Determination of Industry Support for the Petitions**

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must

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<sup>&</sup>lt;sup>12</sup> See 19 CFR 351.303(b).

apply the same statutory definition regarding the domestic like product, <sup>13</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>14</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the Petitions.<sup>15</sup> Based on our analysis of the information submitted on the record, we have determined that forged steel fittings, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>16</sup>

In determining whether the petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the "Scope of the Investigations," in the Appendix to this

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<sup>&</sup>lt;sup>13</sup> See section 771(10) of the Act.

<sup>&</sup>lt;sup>14</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (Fed. Cir. 1989)).

<sup>&</sup>lt;sup>15</sup> See Volume I of the Petitions at 12-14; see also General Issues Supplement at 6.

<sup>&</sup>lt;sup>16</sup> For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, *see* Antidumping Duty Investigation Initiation Checklist: Forged Steel Fittings from India (India AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Forged Steel Fittings from India and the Republic of Korea (Attachment II); *see also* Antidumping Duty Investigation Initiation Checklist: Forged Steel Fittings from the Republic of Korea (Korea AD Initiation Checklist), at Attachment II. These checklists are dated concurrently with, and hereby adopted by, this notice and on file electronically *via* ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Commerce building.

notice. To establish industry support, the petitioners provided their own production of the domestic like product in 2018, as well as the 2018 production of Capitol Manufacturing Company LLC (Capitol Manufacturing), a U.S. producer of forged steel fittings that supports the Petitions.<sup>17</sup> The petitioners compared the production of the supporters of the Petitions to the estimated total production of the domestic like product for the entire domestic industry.<sup>18</sup> We relied on data provided by the petitioners for purposes of measuring industry support.<sup>19</sup>

Our review of the data provided in the Petitions, the General Issues Supplement, and other information readily available to Commerce indicates that the petitioners have established industry support for the Petitions.<sup>20</sup> First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>21</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act, because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.<sup>22</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act, because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry

<sup>&</sup>lt;sup>17</sup> See Volume I of the Petitions at 4 and Exhibits I-3 and I-4.

<sup>&</sup>lt;sup>18</sup> *Id.* at 4-5 and Exhibits I-3 and I-4; *see also* General Issues Supplement at 6-8 and Exhibit 12.

<sup>&</sup>lt;sup>19</sup> See Volume I of the Petitions at 4-5 and Exhibits I-3 and I-4; see also General Issues Supplement at 6-8 and Exhibit 12. For further discussion, see India AD Initiation Checklist at Attachment II; see also Korea AD Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>20</sup> See India AD Initiation Checklist at Attachment II; see also Korea AD Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>21</sup> See section 732(c)(4)(D) of the Act; see also India AD Initiation Checklist at Attachment II; and Korea AD Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>22</sup> See India AD Initiation Checklist at Attachment II; see also Korea AD Initiation Checklist at Attachment II.

expressing support for, or opposition to, the Petitions.<sup>23</sup> Accordingly, Commerce determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

## Allegations and Evidence of Material Injury and Causation

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>24</sup>

The petitioners contend that the industry's injured condition is illustrated by a significant and increasing volume of subject imports; reduced market share; underselling and price depression or suppression; and declines in the domestic industry's production, capacity utilization, U.S. shipments, and financial performance.<sup>25</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as cumulation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>26</sup>

#### Allegations of Sales at LTFV

The following is a description of the allegations of sales at LTFV upon which Commerce based its decision to initiate AD investigations of imports of forged steel fittings from India and Korea. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the country-specific AD Initiation Checklists.

<sup>&</sup>lt;sup>23</sup> See India AD Initiation Checklist at Attachment II; see also Korea AD Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>24</sup> See Volume I of the Petitions at 22 and Exhibit I-15.

<sup>&</sup>lt;sup>25</sup> *Id.* at 16-35 and Exhibits I-1, I-14, I-15 and I-17 through I-20.

<sup>&</sup>lt;sup>26</sup> See India AD Initiation Checklist at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Forged Steel Fittings from India and the Republic of Korea (Attachment III); see also Korea AD Initiation Checklist, at Attachment III.

# **Export Price**

For India and Korea, the petitioners based export price (EP) on the average unit values (AUVs) of publicly available import data. The petitioners made deductions from U.S. price for foreign inland freight and foreign brokerage and handling charges.<sup>27</sup>

### Normal Value

For Korea, the petitioners based NV on home market prices obtained through market research for forged steel fittings produced in and sold, or offered for sale, in Korea within the POL.<sup>28</sup>

For India, the petitioners were unable to obtain information relating to the prices charged for forged steel fittings produced in and sold, or offered for sale, in India or third country prices.<sup>29</sup> The petitioners therefore calculated normal value based on constructed value (CV).<sup>30</sup> For further discussion of CV, *see* the section "Normal Value Based on Constructed Value." <sup>31</sup> Normal Value Based on Constructed Value

As noted, the petitioner was unable to obtain information relating to the prices charged for forged steel fittings produced in India, or third country prices; accordingly, the petitioner based NV on CV. <sup>32</sup> Pursuant to section 773(e) of the Act, CV consists of the cost of manufacturing (COM), selling, general, and administrative (SG&A) expenses, financial expenses, packing expenses, and profit. For India, the petitioner calculated the COM based on

<sup>&</sup>lt;sup>27</sup> See India AD Initiation Checklist; see also Korea Initiation Checklist.

<sup>&</sup>lt;sup>28</sup> See Korea Initiation Checklist.

<sup>&</sup>lt;sup>29</sup> See India AD Initiation Checklist.

 $<sup>^{30}</sup>$  *Id*.

<sup>&</sup>lt;sup>31</sup> In accordance with section 505(a) of the Trade Preferences Extension Act of 2015, amending section 773(b)(2) of the Act, for these investigations, Commerce will request information necessary to calculate the CV and cost of production (COP) to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product. Commerce no longer requires a COP allegation to conduct this analysis.

<sup>&</sup>lt;sup>32</sup> See India AD Initiation Checklist; see also Korea AD Initiation Checklist.

the input factors of production and its own usage rates. The input factors of production were valued using publicly available data on costs specific to India during the proposed POI.<sup>33</sup> Specifically, the prices for raw materials, reclaimed steel scrap, and packing inputs were valued using publicly available import and domestic price data for India.<sup>34</sup> Labor and energy costs were valued using publicly available sources for India.<sup>35</sup> The petitioner calculated factory overhead, SG&A expenses, financial expenses, and profit for India based on the ratios found in the experience of a producer of identical or comparable merchandise from India.<sup>36</sup>

## Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of forged steel fittings from India and Korea are being, or are likely to be, sold in the United States at LTFV. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for forged steel fittings from India range from 52.48 to 293.40 percent and from Korea range from 45.31 to 198.38 percent.<sup>37</sup>

# <u>Initiation of LTFV Investigations</u>

Based upon the examination of the Petitions and supplemental responses, we find that they meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of forged steel fittings from India and Korea are being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

 <sup>33</sup> Id.
34 Id.
35 Id.

<sup>&</sup>lt;sup>36</sup> *Id*.

# Respondent Selection

In the Petitions, the petitioners named 12 companies in India<sup>38</sup> and four companies in Korea,<sup>39</sup> as producers/exporters of forged steel fittings. Following standard practice in AD investigations involving market economy countries, in the event Commerce determines that the number of companies is large and it cannot individually examine each company based upon Commerce's resources, where appropriate, Commerce intends to select respondents in India and Korea based on U.S. Customs and Border Protection (CBP) data for U.S. imports under the appropriate Harmonized Tariff Schedule of the United States numbers listed in the "Scope of the Investigations," in the Appendix.

Between November 5 and November 6, 2019, Commerce released CBP data on imports of forged steel fittings from India and Korea under APO to all parties with access to information protected by APO and indicated that interested parties wishing to comment on the CBP data must do so within three business days of the publication date of the notice of initiation of these investigations. Commerce will not accept rebuttal comments regarding the CBP data or respondent selection.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on the Commerce's website at http://enforcement.trade.gov/apo.

Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the date

<sup>&</sup>lt;sup>38</sup> See Volume I of the Petitions at Exhibit I-13.

<sup>&</sup>lt;sup>39</sup> Id

<sup>&</sup>lt;sup>40</sup> See Memoranda, "Antidumping Duty Investigation of Forged Steel Fittings from India: Release of Customs Data from U.S. Customs and Border Protection," dated November 6, 2019; and "Antidumping Duty Investigation of Forged Steel Fittings from Korea: Release of Customs Data from U.S. Customs and Border Protection," dated November 5, 2019.

noted above. We intend to finalize our decisions regarding respondent selection within 20 days of publication of this notice.

## Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of India and Korea via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

# **ITC Notification**

We will notify the ITC of our initiation, as required by section 732(d) of the Act. Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of forged steel fittings from India and/or Korea are materially injuring, or threatening material injury to, a U.S. industry. <sup>41</sup> A negative ITC determination for any country will result in the investigations being terminated with respect to that country. 42 Otherwise, these investigations will proceed according to statutory and regulatory time limits.

# **Submission of Factual Information**

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). Section 351.301(b) of

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<sup>&</sup>lt;sup>41</sup> See section 733(a) of the Act. <sup>42</sup> Id.

Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>43</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>44</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

## Particular Market Situation Allegation

Section 504 of the Trade Preferences Extension Act of 2015 amended the Act by adding the concept of particular market situation (PMS) for purposes of CV under section 773(e) of the Act. 45 Section 773(e) of the Act states that "if a particular market situation exists such that the cost of materials and fabrication or other processing of any kind does not accurately reflect the cost of production in the ordinary course of trade, the administering authority may use another calculation methodology under this subtitle or any other calculation methodology." When an interested party submits a PMS allegation pursuant to section 773(e) of the Act, Commerce will respond to such a submission consistent with 19 CFR 351.301(c)(2)(v). If Commerce finds that a PMS exists under section 773(e) of the Act, then it will modify its dumping calculations appropriately.

Neither section 773(e) of the Act nor 19 CFR 351.301(c)(2)(v) set a deadline for the submission of PMS allegations and supporting factual information. However, in order to

<sup>&</sup>lt;sup>43</sup> See 19 CFR 351.301(b). <sup>44</sup> See 19 CFR 351.301(b)(2).

<sup>&</sup>lt;sup>45</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

administer section 773(e) of the Act, Commerce must receive PMS allegations and supporting factual information with enough time to consider the submission. Thus, should an interested party wish to submit a PMS allegation and supporting new factual information pursuant to section 773(e) of the Act, it must do so no later than 20 days after submission of a respondent's initial section D questionnaire response.

#### **Extensions of Time Limits**

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm">http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm</a>, prior to submitting factual information in these investigations.

**Certification Requirements** 

Any party submitting factual information in an AD or CVD proceeding must certify to

the accuracy and completeness of that information. <sup>46</sup> Parties must use the certification formats

provided in 19 CFR 351.303(g).<sup>47</sup> Commerce intends to reject factual submissions if the

submitting party does not comply with the applicable certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with

19 CFR 351.305. On January 22, 2008, Commerce published Antidumping and Countervailing

Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634 (January

22, 2008). Parties wishing to participate in these investigations should ensure that they meet the

requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR

351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act,

and 19 CFR 351.203(c).

Dated: November 12, 2019.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

<sup>46</sup> See section 782(b) of the Act.

<sup>47</sup> See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule). Answers to frequently asked questions regarding the Final

Rule are available at http://enforcement.trade.gov/tlei/notices/factual info final rule FAQ 07172013.pdf.

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#### **Appendix**

### **Scope of the Investigations**

The merchandise covered by these investigations is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. Such fittings are made in a variety of shapes including, but not limited to, elbows, tees, crosses, laterals, couplings, reducers, caps, plugs, bushings, unions, and outlets. Forged steel fittings are covered regardless of end finish, whether threaded, socket-weld or other end connections. The scope includes integrally reinforced forged branch outlet fittings, regardless of whether they have one or more ends that is a socket welding, threaded, butt welding end, or other end connections.

While these fittings are generally manufactured to specifications ASME B16.11, MSS SP-79, MSS SP-83, MSS-SP-97, ASTM A105, ASTM A350 and ASTM A182, the scope is not limited to fittings made to these specifications.

The term forged is an industry term used to describe a class of products included in applicable standards, and it does not reference an exclusive manufacturing process. Forged steel fittings are not manufactured from casings. Pursuant to the applicable standards, fittings may also be machined from bar stock or machined from seamless pipe and tube.

All types of forged steel fittings are included in the scope regardless of nominal pipe size (which may or may not be expressed in inches of nominal pipe size), pressure class rating (expressed in pounds of pressure, *e.g.*, 2,000 or 2M; 3,000 or 3M; 6,000 or 6M; 9,000 or 9M), wall thickness, and whether or not heat treated.

Excluded from this scope are all fittings entirely made of stainless steel. Also excluded are flanges, nipples, and all fittings that have a maximum pressure rating of 300 pounds per square inch/PSI or less.

Also excluded from the scope are fittings certified or made to the following standards, so long as the fittings are not also manufactured to the specifications of ASME B16.11, MSS SP-79, MSS SP-83, MSS SP-97, ASTM A105, ASTM A350 and ASTM A182:

- American Petroleum Institute (API) 5CT, API 5L, or API11B;
- American Society of Mechanical Engineers (ASME) B16.9;
- Manufacturers Standardization Society (MSS) SP-75;
- Society of Automotive Engineering (SAE) J476, SAE J514, SAE J516, SAE J517, SAE J518, SAE J1026, SAEJ1231, SAE J1453, SAE J1926, J2044 or SAE AS 35411;
- Hydraulic hose fittings (*e.g.*, fittings used in high pressure water cleaning applications, in the manufacture of hydraulic engines, to connect rubber dispensing hoses to a dispensing nozzle or grease fitting) made to ISO 12151-1, 12151-2, 12151-3, 12151-4, 12151-5, or 12151-6;
- Underwriter's Laboratories (UL) certified electrical conduit fittings;
- ASTM A153, A536, A576, or A865;
- Casing Conductor Connectors made to proprietary specifications;

- Machined steel parts (*e.g.*, couplers) that are not certified to any specifications in this scope description and that are not for connecting steel pipes for distributing gas and liquids;
- Oil country tubular goods (OCTG) connectors (*e.g.*, forged steel tubular connectors for API 5L pipes or OCTG for offshore oil and gas drilling and extraction);
- Military Specification (MIL) MIL-C-4109F and MIL-F-3541; and
- International Organization for Standardization (ISO) ISO6150-B.

To be excluded from the scope, products must have the appropriate standard or pressure markings and/or be accompanied by documentation showing product compliance to the applicable standard or pressure, *e.g.*, "API 5CT" mark and/or a mill certification report.

Subject carbon and alloy forged steel fittings are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) 7307.92.3010, 7307.92.3030, 7307.92.9000, 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060. They may also be entered under HTSUS 7307.93.3010, 7307.93.3040, 7307.93.6000, 7307.93.9010, 7307.93.9040, 7307.93.9060, and 7326.19.0010.

The HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive.

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